

## GOVERNMENTAL OPERATIONS

Agency 090

### Office of State Treasurer

#### Recommendation Summary

Dollars in Thousands

	Annual FTEs General Fund State	Other Funds	Total Funds
<b>2009-11 Expenditure Authority</b>	71.3	14,686	14,686
<b>Total Maintenance Level</b>	71.3	15,187	15,187
Difference		501	501
Percent Change from Current Biennium	0.0%	3.4%	3.4%
<b>Performance Changes</b>			
Reduce FTEs to Reflect Actuals	(4.3)		
Moving Costs for Leaving General Administration Building		113	113
Suspend Plan 1 Uniform COLA #		(202)	(202)
State Data Center Rate Increase		96	96
<b>Subtotal</b>	(4.3)	7	7
<b>Total Proposed Budget</b>	67.0	15,194	15,194
Difference	(4.3)	508	508
Percent Change from Current Biennium	(6.0)%	3.5%	3.5%
<b>Total Proposed Budget by Activity</b>			
Accounting and Fiscal Services for Treasury and Trust Funds	13.5	2,952	2,952
Administration	10.1	2,432	2,432
Banking Services	21.5	4,331	4,331
Debt Management Services	13.0	3,157	3,157
Investment Services	9.0	2,322	2,322
<b>Total Proposed Budget</b>	67.0	15,194	15,194

#### PERFORMANCE LEVEL CHANGE DESCRIPTIONS

##### Reduce FTEs to Reflect Actuals

The State Treasurer's Office consisted of 64.8 FTE in Fiscal Year 2010. FTE authority is reduced to better reflect usage.

##### Moving Costs for Leaving General Administration Building

Due to the planned elimination of the General Administration Building on the capital campus, the Office of the State Treasurer will incur one-time moving costs of \$139,000 in Fiscal Year 2012 and ongoing lease savings in Fiscal Year 2012 (\$12,000), Fiscal Year 2013 (\$14,000) and thereafter. (State Treasurer's Service Account-State)

#### ACTIVITY DESCRIPTIONS

## **GOVERNMENTAL OPERATIONS**

### **ACTIVITY DESCRIPTIONS**

#### **Accounting and Fiscal Services for Treasury and Trust Funds**

The State Treasurer maintains a correct and current account of all monies received and disbursed, classified by fund or account, as well as agency level accounting for investments, distributions, and debt management activity. All cash activity is accounted for and electronically interfaced to the statewide Agency Financial Reporting System (AFRS). (State Treasurer's Service Account)

#### **Administration**

The State Treasurer, a constitutional officer elected to serve a four-year term, is the state's chief fiscal officer. The Treasurer's Office provides banking, investment, debt management, and accounting services for state government, keeping the books and managing taxpayers' money from the time it is collected in taxes until it is spent on programs by the Legislature. The office receives the state's cash resources, invests the money each business day to earn interest, and disburses funds to numerous entities, including agencies, local governments, and active and retired state employees. Office business functions are supported by a fully functional information processing environment. (State Treasurer's Service Account)

#### **Banking Services**

The State Treasurer receives and deposits monies remitted to the state, and manages the disbursement of funds to state and local governments, vendors, beneficiaries, claimants, and employees. These banking services are provided to state agencies through the Cash and Warrant Management Division. The division promotes responsible financial practices to ensure the unimpeded inflow of monies to the state's bank accounts and the timely outflow of monies to payees. The warrant management section releases, redeems, and maintains the records of warrants that bear the signature of the State Treasurer. The division also is responsible for the negotiation and management of numerous financial contracts and agreements, and works in cooperation with other state agencies in support of Digital Government initiatives. (State Treasurer's Service Account)

#### **Debt Management Services**

Bond Retirement and Interest, Agency 010, is part of the Office of the State Treasurer, and is commonly referred to as Debt Management. The major functions of this activity include support to the State Finance Committee, debt issuance, the State/Local Lease Purchase Program, the School Bond Guarantee program, and payments to bondholders. (State Treasurer's Service Account)

#### **Investment Services**

The Investment Division invests a pool of the state's operating and capital cash reserves for maximum return under defined risk parameters, while still providing sufficient liquidity to meet agency cash requirements. The Investment Division also separately invests and administers the Local Government Investment Pool (LGIP), a pooled investment program which serves more than 400 local government cash managers. Pooled investments and other services allow state and local governments to share in the expertise of the State Treasurer and its investment staff, and reap the benefits of the economies of scale. (State Treasurer's Service Account)